

CROSS CUTTING ISSUES TECHNICAL WORK GROUP CALL #3 MARCH 10, 2006





TODAY'S AGENDA

- 1. CALL TO ORDER
- 2. ROLL CALL
- 3. PART 1 REVIEW OF GOALS ISSUES
- 4. PART 2 REVIEW OF REPORTING, REGISTRIES AND EDUCATION ISSUES
- 5. CALL TO THE PUBLIC AND ANNOUNCEMENTS
- 6. AGENDA ITEMS FOR NEXT CC TWG CALL, CCAG MEETING

PART 1: GOAL SCENARIOS

- SCENARIO 1: AZ GOAL = NORTHEAST/WEST COAST (NE/WC) STATES LEVEL OF EFFORT (LOE) COMPARED TO 1990 LEVEL
 - 22% BELOW REFERENCE CASE IN 2010; 43% BELOW REFERENCE CASE IN 2020
- SCENARIO 2: AZ GOAL = NEW ENGLAND GOVERNOR'S (NEG) GOALS (1990 LEVEL BY 2010; 10% BELOW BY 2020)
 - (1) 1990 BASE YEAR
 - (2) 2000 BASE YEAR

PART 1: GOAL SCENARIOS...

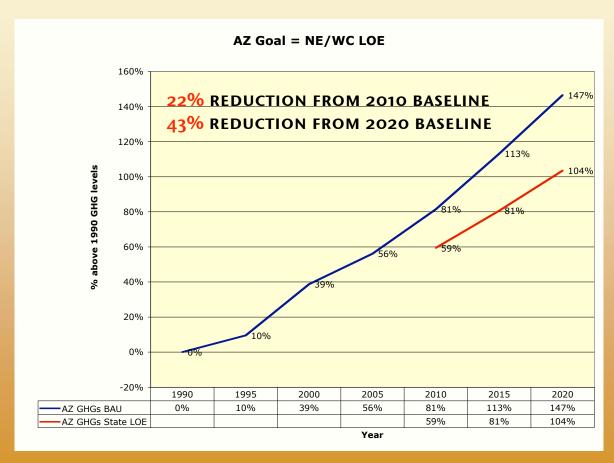
- <u>SCENARIO 3</u>: AZ GOAL = 50% CUT IN TOTAL EXPECTED GHG GROWTH LEVELS BY 2010, 2020
 - -(1) 1990-2020 BAU
 - -(2) 2000-2020 BAU
- SCENARIO 4: COMBINATION OF SCENARIOS 1 AND 3.2 SHOWING CLUSTERING

PART 1: GOAL SCENARIOS...

- <u>SCENARIO 5</u>: AZ GOAL = "25/50" APPROACH (GRADUATED SCHEDULE OF GHG CUTS)
 - (1) 25% CUT IN 2000-2020 GHG GROWTH LEVELS
 BY 2010; 50% CUT IN 2020-2020 GHG GROWTH
 LEVELS BY 2020
 - (2) SAME AS ABOVE, SHOWN IN ACTUAL TONS (MMTCO₂E)
 - (3) COMPARISON OF 25/50% AND 50% GOALS, SHOWN IN ACTUAL TONS

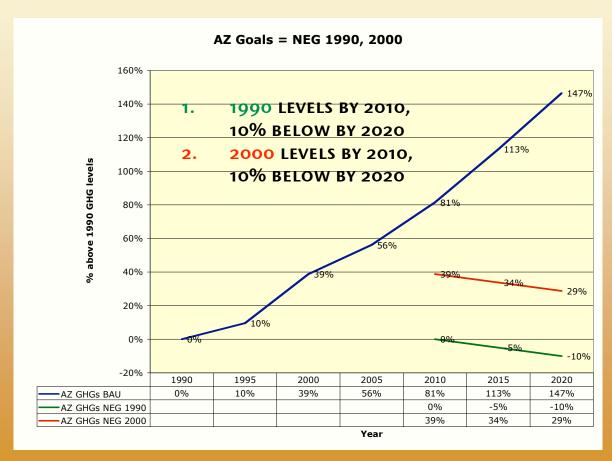
#1: NE/WC STATES LOE

(COMPARED TO 1990 BASE YEAR LEVELS)



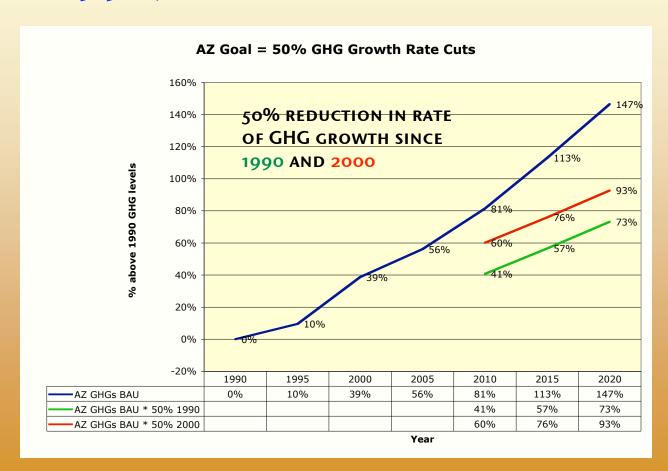
#2: NEW ENGLAND GOVERNOR'S

(APPLIED TO 1990, 2000 LEVELS)

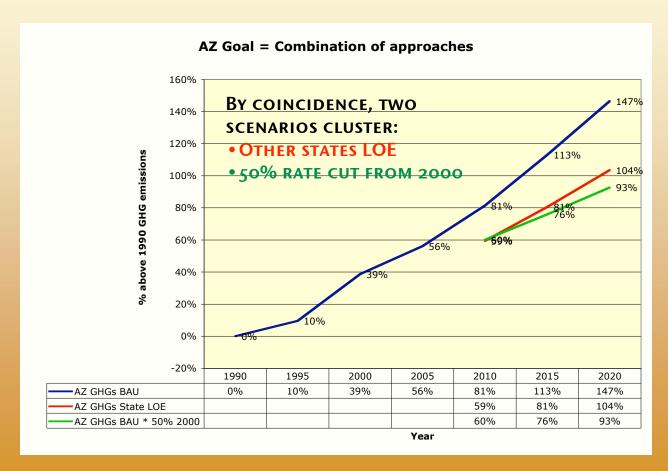


#3: 50% LESS GHG GROWTH

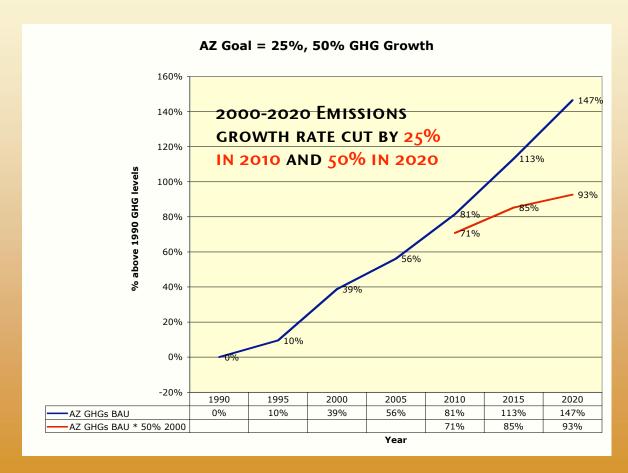
1990, 2000 BASELINE STARTS



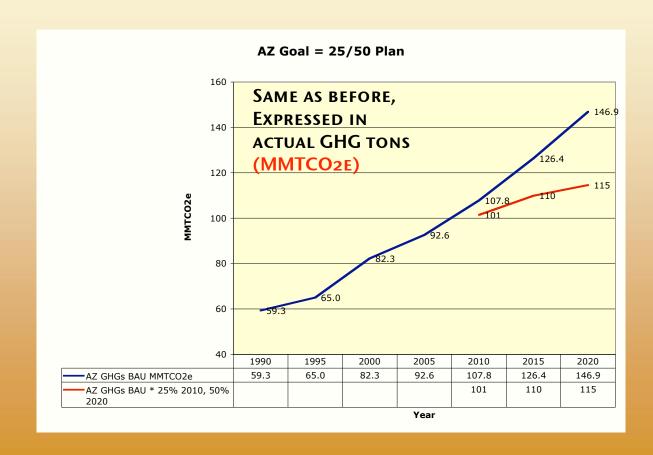
#4: COMBO (SHOWING CLUSTERING OF 1 AND 3.2)



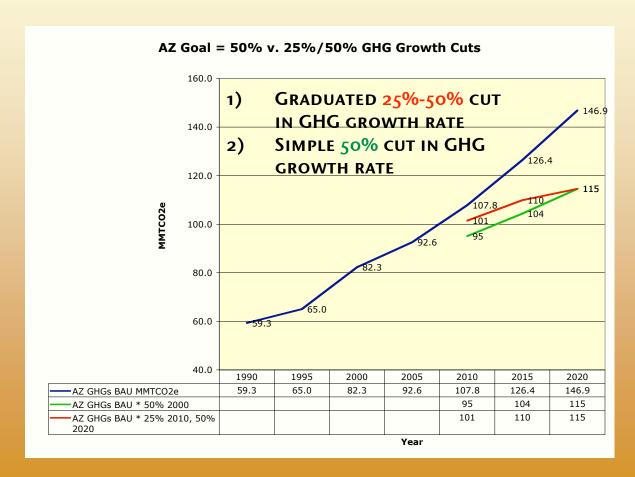
#5: 25%-50% LESS GHG GROWTH (COMPARED TO 2000 LEVELS; SHOWN IN %)



#6: 25%-50% GHG GROWTH (COMPARED TO 2000 LEVELS; SHOWN IN TONS)



#7: 25%/50% V. 50% GOALS 2000 BASELINE START



ANALYSIS

Data Sources

- AZ AND OTHER STATE GHG INVENTORIES AND FORECASTS (CONSUMPTION BASED)
- STATE PLANNING ESTIMATES OF POTENTIAL GHG REDUCTIONS FOR NORTHEAST AND WEST COAST
- Some State Planning Data is not readily available (Due to closed processes)

METHODS

- SCENARIOS APPLIED TO ACTUAL AZ INVENTORY AND FORECAST ESTIMATES APPROVED BY CCAG

ANALYSIS...

- KEY ASSUMPTIONS
 - AVERAGE ANNUAL GHG REDUCTION ESTIMATES IN 2010 AND 2020 FOR NORTHEAST AND WEST COAST STATES
 - OTHER ASSUMPTIONS NOTED IN SCENARIOS
- Key Uncertainties
 - RESULTS OF CCAG PLANNING NOT YET AVAILABLE
 - REGIONAL DIFFERENCES BETWEEN SW, WC AND NE MAY AFFECT SUCCESS RATES OF MITIGATION PLANNING
 - RELIABILITY OF LONG TERM FORECASTING
 - Results of actual implementation
 - MARGIN OF SAFETY AND OR ERROR NOT INCLUDED

NEXT STEPS

- IDENTIFY PREFERRED SCENARIOS AND SUGGESTED NEW MODIFICATIONS
- Present to CCAG for review and Advice

PART 2

- REPORTING, REGISTRIES, EDUCATION
 - REPORTING AND REGISTRIES ARE LINKED
 - EMISSIONS V. EMISSIONS REDUCTIONS
 - INCENTIVE SYSTEMS
 - EDUCATION SUPPORTS INDIVIDUAL AND COLLECTIVE POLICY EFFORTS

REPORTING & REGISTRIES

- MULTIPLE APPROACHES HAVE EMERGED
 - Many purposes and goals
 - Many quantification protocols
 - MANY REGISTRY APPROACHES
 - MANY MARKET ENTRANTS
- Some Clarity & STANDARDS EVOLVING
 - World Resources Institute/World Business Council for Sustainable Development GHG Protocols
 - International Standards Organization 14064 GHG
 Quantification Standards
 - REGIONAL REGISTRY EFFORTS
 - BROADER REGISTRY DISCUSSIONS

GHG REPORTING

- Purpose and goals
 - MEASURE GHG EMISSIONS
 - BUILD AWARENESS AND CAPACITY
 - DIAGNOSE AND TRACK GHG EMISSIONS
 - CONSIDER AND PLAN FOR SOLUTIONS
 - BETTER MANAGE EMISSIONS
 - IDENTIFY WAYS TO INCREASE RELATED BENEFITS
 OF EMISSIONS REDUCTIONS
 - ENABLES OTHER GOALS

GHG REPORTING

- KEY TECHNICAL AND POLICY ISSUES
 - POLICY ENDPOINTS
 - VOLUNTARY OR MANDATORY
 - WHICH GASES
 - APPLICABILITY (SECTORS, SOURCES, LEVELS)
 - BOUNDARY ISSUES
 - QUANTIFICATION, MEASUREMENT, & VERIFICATION
 - OPERATIONAL ISSUES (LEAD AGENCY, START DATE, REPORTING PERIOD, TRANSPARENCY, COST, ETC.)

GHG REGISTRY

- Purpose and goals
 - RECORDING OF GHG REDUCTION ACTIVITIES
 - PROVIDE MANAGEMENT INFORMATION SYSTEM
 - DATA MANAGEMENT & ACCOUNTING
 - CENTRAL, INDEPENDENT REPOSITORY
 - SUPPORT POLICY IMPLEMENTATION
 - INCENTIVE TO TRACK & MANAGE EMISSIONS
 - Public and/or legal recognition
 - CREDIT AND/OR BASELINE PROTECTION
 - Possible regional & cross-border cooperation

GHG REGISTRY

- KEY TECHNICAL AND POLICY ISSUES
 - POLICY OBJECTIVES
 - BASELINE/BASE YEAR
 - INCREMENTAL REDUCTIONS
 - REDUCTIONS FROM OTHER SECTORS
 - BOUNDARY ISSUES
 - OWNERSHIP & DOUBLE-COUNTING
 - MONITORING & DATA QUALITY
 - VERIFICATION/CERTIFICATION
 - PROJECTS VS. PROGRAMS
 - STATE-TO-STATE CONSISTENCY
 - OPERATIONAL & ADMINISTRATIVE ISSUES

PUBLIC EDUCATION

Purpose and goals

- Public awareness of need for action
- AWARENESS OF SPECIFIC PROGRAMS & EFFORTS
- AWARENESS THAT INDIVIDUAL ACTIONS COUNT;
 (AND MAY BE REWARDED, E.G., REBATES)

KEY TECHNICAL AND POLICY ISSUES

- AUDIENCE(S), MESSAGES, PROGRAM LINKAGE
- APPROACHES, RESPONSIBILITY
- SCOPE AND BREADTH
- COSTS AND RESULTS

NEXT STEPS

- IDENTIFY EXISTING AZ ACTIONS
- IDENTIFY POTENTIAL APPROACHES
- DEVELOP STRAW PROPOSALS
- COORDINATE WITH SECTOR-BASED TWGs
- REFLECT CCAG PRIORITIES

CLOSING REMARKS

- PUBLIC INPUT?
- ANNOUNCEMENTS?

FOR NEXT CCAG MEETING

- AGENDA ITEMS
 - DISCUSSION OF PRIORITIES
 - DISCUSS PLANS FOR STRAW PROPOSALS
 - DISCUSS COORDINATION WITH TWGS